



BS 1945/3A

NEW SOUTH WALES.

BUSINESS STATISTICS - MARCH, 1945.

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PART I PRIMARY AND EXPORT INDUSTRIES.

SEASONAL CONDITIONS. Pressure systems unfavourable to rainfall prevailed during the first half of March. Rainfall in the last nine months has averaged less than four inches in the Western Division, about 4½ inches in the Riverina and about 7 inches in the South Western Slopes, none of which divisions participated in the substantial rains of late February. Elsewhere the seasonal outlook has improved and should be assured if autumn rainfall is normal.

The index of rainfall (below) records the benefit accrued from rainfall in January and February, but the results in sheep and wheat districts should be read in the light of preceding remarks.

Where rain has fallen pastures have improved but stock losses are still occurring in the Riverina and Western Division, despite a good deal of hand feeding.

RAINFALL INDEX - N.S.W.

Weighted average ratio of actual to normal rainfall.
Normal rainfall each month = 100.

Month	Sheep		Wheat Districts		Dairying (Coastal) Districts	
	1943-44	1944-45	1943-44	1944-45	1943-44	1944-45
July	67	70	83	53	6	148
Aug.	105	142	103	90	156	234
Sept.	116	31	122	26	128	65
Oct.	90	52	83	73	147	34
Nov.	170	41	171	45	209	56
Dec.	50	37	32	42	176	50
Jan.	45	114	28	127	178	70
Feb.	58	123	32	92	37	99
Mar.	41		49		50	
Apr.	61		80		28	
May	127		135		59	
June	16		14		57	

GENERAL. Tobacco. Australian production of tobacco this season may not reach 3 m. lbs. of leaf compared with the pre-war average of about 5 m. lbs.

Potatoes. The main crop has improved as a result of rain and in most districts satisfactory yields are expected.

Meat. Consequent upon a decrease in supplies the quota of fresh meat for civilian distribution has been reduced to 60 per cent. of the base allowance.

WOOL. Next week the appraisalment of wool from main shearing in N.S.W. will be completed. The quantity of autumn shorn wool for subsequent appraisalment is expected to be less than usual owing to drought losses..

This season, to March 7 the quantity of wool received in Sydney was 800,508 bales, compared with 940,567 bales in the corresponding period of 1943-44. To the same date the quantity appraised (780,980 bales) showed a decrease of 9.6 per cent.

The Wool Use Promotion Bill is before Parliament. It re-constituted the Australian Wool Board which is to concentrate upon publicity, creates a broadly representative Wool Consultative Council, and makes the Council for Scientific and Industrial Research and the Department of Commerce and Agriculture responsible for scientific and industrial research, respectively. The rate of tax under the Wool Tax Act is to be increased from 6d. to 2s. a bale, to realize about £325,000 a year, to which the Government is to add £ for £. Part (probably 25 per cent. in the first few years) of the total will be allocated to a Wool Research Trust Account and the balance to the Wool Use Promotion Fund.

The Textile Products Labelling Bill, before the State House has the object of protecting the wool industry by requiring materials to be branded to show their content of pure wool and other fibres.

WHEAT. Good conditions prevail for crop preparation over most of the northern and central sections of the wheat belt, but the work cannot proceed in the Riverina and South-western Slopes until further rain falls. A material increase in wheat area appears likely in north-western districts.

DAIRYING INDUSTRY. Seasonal conditions are now normal to good in all coastal dairying districts and some improvements in milk supplies has occurred. There are good prospects of production being maintained well into the autumn.

Though the quantity of butter produced in N.S.W. factories increased by 500,000 lbs. in January, 1945 compared with the preceding month, the output of 8 m.lbs. was 4.8 m. lbs. less than in Jan., 1944 and 31 per cent. below the average for January, 1938 to 1942. In the seven months ended January the quantity made (43.1 m. lbs.) was smallest for the period for many years, 14.5 m. lbs. less than in July-Jan., 1943-44 and 30 per cent. below the average in 1937-38 to 1941-42.

The decrease in cheese production was also very marked - the quantity made in N.S.W. in July-Jan. was 1,291 tons, in 1944-45, 1,821 tons in 1943-44 and 1,630 tons in 1942-43.

BUTTER PRODUCED - N.S.W. FACTORIES.

000,000 lb.

Period	Average 1937-8/1939-40	1940/41	1941/42	1942/43	1943/44	1944/45
August	5.3	5.0	4.6	5.3	3.3	3.1
September	7.1	6.5	5.9	6.0	4.9	5.4
October	10.1	8.0	7.5	7.5	8.6	8.5
November	13.1	8.2	7.9	11.3	11.6	8.2
December	13.5	11.4	8.6	12.0	13.1	7.5
January	12.3	14.5	6.7	13.0	12.8	8.0
Total 7 months	66.5	58.5	45.8	60.3	57.6	43.1
Balance of Year	47.4	45.2	39.3	33.5	30.3	...
Year	113.9	103.7	85.1	93.8	87.9	...

The total production of butter and cheese in other States was much the same this season as in 1943-44 and the decreases shown in the following table are the result mainly of the drastic fall in production in N.S.W. Over the whole Commonwealth and comparing the seven months ended January of this and last year there were decreases of 13.1 per cent. in butter and 5.6 per cent. in cheese production.

BUTTER AND CHEESE PRODUCED - AUSTRALIAN FACTORIES.

Year	Month of January.		Seven months ended January.	
	Butter	Cheese	Butter	Cheese
	Tons	Tons	Tons	Tons
1942-43	19,521	3,767	111,997	26,731
1943-44	18,688	3,640	104,524	27,084
1944-45	15,376	3,269	90,825	25,553

Suppliers of cream to certain North Coast factories received 13.71d. per lb. of commercial butter in February, 1945, compared with 13.5d. per lb. in February, 1944. Including subsidy suppliers received 17.25d. and 17.3d. per lb., respectively. Other comparative particulars are appended.

N.S.W. BUTTER - PAY TO CREAM SUPPLIERS BY CERTAIN NORTH COAST FACTORIES.

Pence per lb. of commercial butter.

Season	Monthly Pay			Deferred Pay		Subsidy		Total Pay		
	Dec.	Jan.	Feb.	July-Dec.	Jan-June	Apr-Oct.	Nov-Mar.	Dec.	Jan.	Feb.
	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
1938-39	11.25	12.25	12.50	.31	1.06	11.56	13.31	13.56
1942-43	13.25	13.29	13.29	1.44	1.12	(a) .86	.86	15.55	15.27	15.27
1943-44	13.25	13.50	13.50	1.00	1.19	3.80	3.80	18.05	18.49	18.49
1944-45	13.09	13.71	13.71	.75	(b)	5.34	3.54	17.38	(b)	(b)

(a) No subsidy April to June. (b) Not available.

PART II FINANCE AND TRADE.

GENERAL. Banking Bills were introduced by the Commonwealth Treasurer on March 2, 1945 to implement the Government's policy in relation to banking.

The Commonwealth Bank Bill confirms the Commonwealth Bank in its functions as a Central Bank, and also requires the development and expansion of its general banking business in active competition with the trading banks (in a separate General Banking Division). The Bank is to pursue a policy directed to assuring stability of the currency, the maintenance of full employment in Australia, and the promotion of the economic prosperity and welfare of the Australian people. The Treasurer is to be kept informed of the Bank's monetary and economic policy, and in event of disagreement therewith the Treasurer may direct the policy to be pursued. A sole Governor (in place of the existing Board) is to control the Bank, and he is to be assisted by an Advisory Council comprising the Secretary to the Treasury, the Deputy Governor of the Bank, another Treasury official, and two other officers of the Bank. The existing Rural Credits and Mortgage Bank Departments are continued and an Industrial Finance Department (to accommodate small industrial borrowers) is to be created. The Commonwealth Savings Bank will come under the Governor's control.

The obligation of the bank to maintain a reserve of 25 per cent. in gold or English sterling against the note issue is abrogated.

Under the Banking Bill all trading banks are to be licensed. The Commonwealth Bank is empowered to direct the advances policy to be followed and in its discretion may determine the rates of interest to apply on advances and deposits and discount rates in the banks. The Commonwealth Bank may investigate the affairs and in appropriate circumstances may assume control of any bank.

Special wartime deposits of the trading banks are to remain with the Commonwealth Bank, which may require part or the whole of subsequent increases in assets to be added to the wartime deposits. Such deposits may be drawn upon only with the Bank's consent. On these deposits the Bank may pay interest at a rate not exceeding 17s.6d. per cent. per annum.

Mobilisation of foreign exchange is provided for by empowering the Commonwealth Bank to require the trading banks to deliver to it the sterling equivalent of excess receipts of foreign exchange.

A trading bank may not conduct banking business for a State, a State authority or a local government authority without written consent of the Commonwealth Treasurer. Affairs of trading banks are to be investigated, periodically or when directed by the Treasurer by the Auditor General. Every bank must furnish to the Commonwealth Bank information it may require regarding its business, but information may not be demanded concerning affairs of any individual customer.

Services Gratuity. A bill has been introduced to give effect to the special Parliamentary Committee's recommendations for the granting of gratuity payments to services personnel. For overseas service the rate of payment is to be 75s. a month (of 30 days) and for service in Australia the rate is 15s. a month. These rates apply to all personnel irrespective of rank and with rare exceptions gratuity will not be paid until five years from date of entitlement. The estimated cost to 30th June, 1945 is £63 m. (£51m. for overseas and £12 m. for Australian service) and on present strengths of the services will increase £7 m. for each additional six months of the war.

Pensions and Child Endowment. It has been announced that as from 1st July, 1945 invalid and old age pensions are to be increased by 5s.6d. to 32s.6d. a week, and that the increase is to be paid irrespective of outside income of the pensioner. From the same date child endowment for all children after the first is to be 7s.6d. (in place of 5s.) a week. These increases may involve more than £10 m. a year and an increase in payroll tax (which is applied for child endowment) is forecasted.

Note Issue. It is reported that following upon a statement that the Government was considering a change in the note issue to counter hoarding and black marketing a greatly increased flow of notes of large denominations to the banks has taken place.

Third Victory Loan. The Third Victory Loan of £100 m. opened for subscription on March 13 and is to close on April 27, 1945. Terms are as for recent issues - 2½% for 4-5 years and 3¼% for 5-16 years, issued at par.

COMMONWEALTH
ACCOUNTS.

Expenditure by the Commonwealth Government during February, 1945 (£40.6 m.) was £6.6 m. less than in January, 1945 and £8.4 m. less (including £8.8 m. less on war services) than in February, 1944.

During the eight months ended February, 1945, the Commonwealth expended £379.3 m. (of which £300.9 m. or 79% was applied to war services). This was £56.1 m. or 13% less than in July-February 1943-44 (when 82% of the total of £435.4 m. was for war), due mainly to reduced war expenditure (£57.4 m. less). During the eight months of 1944-45 loan funds provided £79.1 m. less than in July-Feb. 1943-44, constituting only 62% of the total war expenditure, as compared with 74% last year. Comparison of the same periods reveals an increase of £21.7 m. in war expenditure met from revenue.

Commonwealth revenue collections (exclusive of income tax. re-imbursed to States) amounted to £20.5 m., which was £5.3 m. and £1.2 m. less than in January, 1945 and February, 1944, respectively.

The improvement of £23.1 m. in revenue during July-February, 1944-45 (£192.0 m.) as compared with the corresponding previous period (£168.9 m.) was due mainly to increased income (+£22.8 m.) and other (+£0.7 m.) taxation collections.

COMMONWEALTH REVENUE AND EXPENDITURE.
(excluding Income Tax re-imbursed to States)
£ millions.

Particulars.	Month of February.		Eight months ended February.		
	1944.	1945.	1944.	1945.	Increase (+) or Decrease (-)
<u>Revenue:-</u>					
Customs and Excise	6.1	5.4	45.0	44.8	(-) 0.2
Income Tax	8.0	8.1	65.2	88.0	(+) 22.8
Other Taxes	4.5	4.1	33.8	34.5	(+) 0.7
Business Undertakings	2.6	2.6	20.0	20.2	(+) 0.2
Other	.5	.3	4.9	4.5	(-) 0.4
Total, All Services	21.7	20.5	168.9	192.0	(+) 23.1
<u>Expenditure:-</u>					
War (1939) from -					
Revenue	12.4	10.7	91.9	113.6	(+) 21.7
Loan Fund	27.3	20.2	266.4	187.3	(-) 79.1
Total War	39.7	30.9	358.3	300.9	(-) 57.4
Other Revenue Services	9.3	9.7	77.1	78.4	(+) 1.3
Total, All Services	49.0	40.6	435.4	379.3	(-) 56.1

The amount of treasury bills outstanding in Australia on Commonwealth Account (£388.3 m.) increased by £7 m. in February, 1945, but was only £4.3 m. greater than in February, 1944, and was £14.7 m. below the peak of £403 m. in March, 1944.

TREASURY BILLS OUTSTANDING IN AUSTRALIA ON COMMONWEALTH ACCOUNT.

Year.	June.	Nov.	Dec.	Jan.	Feb.
1943-44 £ millions	259.3	341.3	362.3	372.3	384.0
1944-45 £ millions	343.3	347.3	367.3	381.3	388.3

TRADING BANKS.

During January, 1945 the trading banks gained £9.1 m. in deposits (compared with £13.4 m. in January, 1944) and were required to add a further £10.5 m. to their special wartime deposits with the Commonwealth Bank, which totalled £207.9 m. in Jan. 1945. The amount of advances to customers contracted another £4 m. to £202 m. and stood £24.1 m. below the total in Jan., 1944, but holdings of Government and municipal securities increased by £2.6 m. during the month and at £111.8 m. were £31.4 m. greater than a year before. Though Treasury bills held increased by £5.1 m. during the month, the total (£70.7 m.) was £1.5 m. less than in Jan., 1944.

The banks appear to have a considerable margin for expansion of advances should demands arise. In Jan., 1945 the ratio of advances to deposits exclusive of special wartime deposits with the Commonwealth Bank was 54.3 per cent., compared with 91.7 per cent. in June, 1939. It is to be noted, however, that the greater part of the increase in deposits over the war period has been in current accounts - in January, 1945 these comprised 61.2 per cent. whereas in June, 1939 they represented only 36.8 per cent. of total deposits.

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia.
£ million.

.of ekly gures	Deposits.		Total	Coin, Notes, etc. & Cash at C'wealth Bank.	Treas- ury Bills.	Govt. & Municipal Securit- ies.	Special Wartime Deposits with C'wealth Bank.	Advances, Discounts, etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)						
39-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
42 "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
43 "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
44 "	219.9	314.6	534.5	38.0	55.4	89.1	182.8	221.8
43-4-Oct.	207.2	270.4	477.6	37.0	59.7	78.1	119.1	239.8
Nov.	207.8	274.5	482.3	39.2	60.0	79.1	124.1	235.9
Dec.	209.9	287.2	497.1	44.0	64.9	79.9	130.6	230.7
Jan.	212.8	297.7	510.5	47.2	72.2	80.4	138.7	226.1
44-45-Oct.	222.1	329.6	551.7	38.4	62.4	101.4	185.3	216.3
Nov.	223.9	331.5	555.4	36.9	62.0	104.8	191.0	212.0
Dec.	224.2	346.9	571.1	41.3	65.6	109.2	197.4	206.0
Jan.	225.8	354.4	580.2	42.2	70.7	111.8	207.9	202.0

SAVINGS BANKS.

During January, 1945 balances in savings banks increased by £2.7 m. in N.S.W. and £7.8 m. in Australia, compared with £4.2 m. and £10.9 m. during January, 1944. This continues the tendency for deposits to increase less rapidly than during 1943 and 1944.

Savings balances at the end of January, 1945 (£181.8 m. in N.S.W. and £524.5 m. in Australia) exceed those at January, 1944 by £35.5 m. and £99.3 m. respectively. Increases in the seven months ended January in the years 1942-43, 1943-44 and 1944-45 successively were £43.4 m., £67.1 m. and £53.0 m. in Australia and £14.7 m., £23.9 m., and £19.0 m. in New South Wales.

/SAVINGS.....

SAVINGS BANK DEPOSITS: N.S.W. AND AUSTRALIA.

Period.	N.S.W		AUSTRALIA.	
	Deposits at end of period.	Increase or Decrease (-) in period	Deposits at end of period	Increase or Decrease (-) in period.
<u>Year ended June:</u>	£000	£000	£000	£000
1939	87,474	1,458	245,587	5,155
1942	94,538	6,788	274,275	22,044
1943	122,405	27,867	357,995	83,720
1944	162,867	40,462	471,534	113,539
Month: 1943-44 Oct.	136,326	2,163	398,587	6,447
Nov.	138,328	2,002	404,068	5,481
Dec.	142,109	3,781	414,298	10,230
Jan.	146,283	4,174	425,240	10,942
1944-45 Oct.	173,981	944	503,049	3,028
Nov.	176,748	2,767	510,463	7,414
Dec.	179,128	2,380	516,685	6,222
Jan.	181,801	2,673	524,495	7,810

WAR SAVINGS CERTIFICATES.

The net proceeds of sales of war savings certificates in January, 1945 was £564,000 including £215,000 in New South Wales, showing increases of 22 per cent. and 17 per cent. in comparison with Jan., 1944. There is, however, a tendency for net purchases to decline somewhat. Over the seven months ended January in successive years 1942-43 to 1944-45 the totals were £5.68 m., £5.44 m. and £4.77 m. in Australia, including £1.95 m., £2.03 m. and £1.72 m. in New South Wales.

NET PROCEEDS OF SALE OF WAR SAVINGS CERTIFICATES
N.S.W. AND AUSTRALIA.

	Jan. '44	Sept. '44	Oct. '44	Nov. '44	Dec. '44	Jan. '45	July '44 to Jan. '45	Total to Jan., 1945
				Thousand £				
N.S.W.	184	206 x	227 x	326 x	197 x	215	1,716	17,405
AUST.	461	575	657	882	586	564	4,771	48,492

x Revised.

INTER-BANK CLEARINGS.

Latterly inter-bank clearings in Sydney have increased much less rapidly than in other wartime years when war production was progressing towards its peak. In February, the amount of clearings (less Treasury bill transactions) was £114.1 m. this year, compared with £121.2 m. last year and £105.7 m. in 1943. The increases comparing the eight months ended February were £82.1 m. in 1942-43, £96.0 m. in 1943-44 and £21.8 m. in 1944-45. Until mid-1943 increases due to business expansion were reinforced by rising prices.

The index number of clearings for the three months ended February, 1944 was 149 compared with 147 for the corresponding period of 1943-44, and 152 for Nov.-Jan., 1944-45. The current level is 50.5 per cent. above that existing at the outbreak of war.

INTER-BANK CLEARINGS - SYDNEY.

Period.	Amount of Clearings.£				Index +			
	£m.	£m.	£m.	£m.				
	<u>1938.</u>	<u>1942.</u>	<u>1943.</u>	<u>1944.</u>	<u>1938.</u>	<u>1942.</u>	<u>1943.</u>	<u>1944.</u>
Year	942.4	1248.5	1442.3	1499.6	101	131	151	156
	<u>1938-39</u>	<u>1942-43</u>	<u>1943-44</u>	<u>1944-45</u>	<u>1938-39</u>	<u>1942-43</u>	<u>1943-44</u>	<u>1944-45</u>
December	88.1	121.6	127.3	127.6	102	136	150	152
January	66.5	106.7	107.5	114.2	98	136	150	152
February	75.5	105.7	121.2	114.1	96	138	147	149

£ Treasury Bill transactions deducted.

+ Three months moving average: base is average in corresponding month 1926-30 equals 100.

STOCK EXCHANGE.

On the Sydney Stock Exchange, the average value of ordinary company shares appreciated uninterruptedly after dealings in shares were resumed in March, 1942. In February, 1944, share prices reached a new high level, being 95% above par value, an increase of 54% compared with March-April, 1942, and 21% higher than in August, 1939. The index numbers for all groups of companies except insurance were also at record levels.

The advances in index numbers between January and February, 1945 resulted from the upward adjustment of ceiling prices of shares from 7th February, 1945. All groups were affected, the principal increases being 5 points for public utilities and 2 points for the pastoral and finance group, and for all companies. As in recent months trading was very light.

INDEX OF SHARE PRICES - SYDNEY.

Prices of Ordinary Shares (excl. Bank). Par value = 100.
(Compiled by N.S.W. Govt. Statistician).

Average for Month -	Manufac- uring and Distributing	Retail	Public Utilities	Pastoral and Finance	Insur- ance	Total 75 Companies	34 Active Shares
1937-Mar.	214	204	181	169	281	190	201
1939-Aug.	213	168	156	118	264	174	182
1941-Sept.	228	177	142	128	253	175	191
1942-Apr.	176	139	118	112	212	141	150
1943-Dec.	237	194	148	135	254	185	200
1944-Feb.	237	194	149	135	254	186	201
June	237	194	150	139	254	186	201
Dec.	240	203	162	146	264	193	207
1945-Jan.	241	204	163	146	264	193	207
Feb.	242	205	168	148	264	195	209

REAL ESTATE.

Transfers registered in January, 1945 (of a value of £2.0 m.) exceeded the value in any of the preceding five months or in Jan., 1943 or 1944, and mortgages registered (£593,000) approximated the recent average.

Dealings in real estate are controlled closely and there is a large unsatisfied demand for property. The value of transfers registered in the eight months ended February (£13.89 m.) was 25.3 per cent. greater this year than in 1943-44 but 25.2 per cent. less than in 1939-40. In similar comparisons the value of mortgages registered showed an increase of 22.3 per cent. and a decrease of 64.5 per cent. respectively.

REAL ESTATE TRANSACTIONS, N.S.W.

Thousand £

Month	Transfers Registered				Mortgages (Incl. Renewals).			
	1939-40	1942-43	1943-44	1944-45	1939-40	1942-43	1943-44	1944-45
July	2,519	1,540	1,783	1,992	1,950	622	399	542
Aug.	3,068	1,671	1,379	2,241	2,770	451	450	723
Sept.	2,934	1,616	1,551	1,772	1,501	516	432	597
Oct.	2,331	1,514	1,549	1,654	1,713	423	618	634
Nov.	2,381	1,942	1,558	1,899	1,702	530	558	529
Dec.	2,067	1,260	1,592	1,708	1,544	562	494	699
Jan.	1,884	1,226	1,090	1,786	1,480	595	383	608
Feb.	2,524	1,294	1,506	1,999	1,428	390	611	593
8 Months	20,108	12,064	12,009	15,051	13,889	4,089	3,946	4,926

PART III INDUSTRY, TRANSPORT, ETC.

GENERAL.

Motor Industry. The Commonwealth Parliament has been asked to repeal the Motor Vehicle Engines Bounty Act, 1939 and the Motor Vehicles Agreement Act, 1940 (which imposed restrictive conditions to qualify for bounty and covered arrangements with a single enterprise to undertake production of motor vehicles in Australia) to clear the way for the Government's policy in regard to motor vehicle manufacture. The Government invites proposals (not restricted to Australian companies) for the establishment of the industry in Australia, which proposals may include the use of Commonwealth factories established during the war.

TEXTILES. Approval has been given for increased production of better class woollen and worsted cloths (with the aim of regaining the pre-war level), and to the supply of 500,000 yards to New Zealand.

SHALE OIL. The Commonwealth Parliamentary Standing Committee on Public Works has recommended that development of oil shale deposits at Baerani (proposed by a U.S.A. mission at a cost of £2.91 m.) should be deferred until the Glen Davis project affords more experience. Evidence given the Committee showed that at Glen Davis about 2.5 m. gallons of petrol a year were being produced at a cost of about 3s.6d. a gal. but reconstruction of plant now proceeding is expected, as from the beginning of 1946, to bring production to 9 m. to 10 m. gal. a year and to reduce costs to about 1s. a gallon.

TRANSPORT.

State Railways. Both passenger and goods traffic were greater in January, 1945 than in Jan., 1944 but gross earnings of the railways were less than in each Jan., 1943 and 1944.

In the seven months ended January passenger journeys were one per cent. greater in number this year than in 1943-44 when the number was 5.8 per cent. greater than in 1942-43. The quantity of goods and livestock carried in the seven months of this year was 3 per cent. and 4 per cent. respectively, less than one and two years ago. Operations of the railways are hampered by the shortage of coal, there is a tendency for the volume of war traffic to decrease, and seasonal factors affect the haulage of commodities to and from rural districts.

Net earnings (before meeting interest, etc.) for the seven months were £576,000 less this year than last year, a decrease of £1.23 m. in operational expenses failing to offset that of £1.80 m. in gross earnings.

N.S.W. GOVERNMENT RAILWAYS.

Year	Month of January			Seven months ended January.			
	Passenger Journeys	Goods and Livestock	Gross Earnings	Passenger Journeys	Goods and Livestock	Gross Earnings	Net Earnings ø
	millions	000 tons	£000	millions	000 tons	£000	£000
1940	15.7	1,207	1,817	104.8	9,675	12,338	4,128
1942	17.7	1,472	2,304	125.3	10,720	15,436	5,159
1943	20.4	1,586	2,885	136.5	11,625	20,163	5,747
1944	21.3	1,439	2,822	144.4	11,512	20,543	5,387
1945	22.1	1,544	2,738	145.9	11,162	18,738	4,811

ø Gross earnings less working expenses available to pay interest, etc. on Railway Loan Debt.